

## House Bill 542

By: Representatives Jones of the 25<sup>th</sup>, Kelley of the 16<sup>th</sup>, Gravley of the 67<sup>th</sup>, Corbett of the 174<sup>th</sup>, Pirkle of the 155<sup>th</sup>, and others

**A BILL TO BE ENTITLED  
AN ACT**

1 To amend Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to the  
2 care and protection of indigent and elderly patients, so as to authorize health care facilities  
3 to purchase and sell charity care credits through an exchange to meet their indigent and  
4 charity care requirements; to provide for definitions; to provide for the creation of the  
5 Georgia Charity Care Exchange; to provide for contractual arrangements between health care  
6 facilities for the first two years; to provide for an annual report; to provide for creation of an  
7 oversight board; to provide for related matters; to repeal conflicting laws; and for other  
8 purposes.

9                   BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10                   **SECTION 1.**

11 Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to the care and  
12 protection of indigent and elderly patients, is amended by adding a new article to read as  
13 follows:

14                   "ARTICLE 11

15                   31-8-320.

16                   As used in this article, the term:

17                   (1) 'Charity care credit' means a value computed for uncompensated indigent or charity  
care based on a fixed-price schedule utilizing Medicare diagnosis-related groups.

19                   (2) 'Charity care exchange' or 'exchange' means the Georgia Charity Care Exchange  
created pursuant to Code Section 31-8-321.

21                   (3) 'Charity care requirements' means the specified amount of uncompensated indigent  
or charity care required to be provided to indigent patients by a health care facility  
pursuant to Chapter 6 of this title as a condition for the grant of a certificate of need or  
for an exemption to certificate of need requirements.

25       (4) 'Health care facility' shall have the same meaning as in Code Section 31-6-2.  
26       (5) 'Oversight board' means the Georgia Charity Care Exchange Oversight Board created  
27       pursuant to Code Section 31-8-324.  
28       (6) 'Uncompensated indigent or charity care' shall have the same meaning as in Code  
29       Section 31-6-2.

30       31-8-321.

31       (a) There is hereby created the Georgia Charity Care Exchange for the purposes of  
32       establishing a regulated pool of charity care.

33       (b) The department shall design and operate the exchange to enable health care facilities  
34       that provide indigent and charity care above their indigent and charity care requirements  
35       to sell charity care credits through the exchange in return for funding and to enable health  
36       care facilities that do not provide sufficient indigent and charity care to meet their indigent  
37       and charity care requirements to purchase charity care credits through the exchange.

38       (c) The department shall determine the value of charity care credits based on a fixed-price  
39       schedule utilizing Medicare diagnosis-related groups. Charity care credits may vary based  
40       on services provided, groups of services provided, type of health care facility, or other  
41       factors as determined by the department. The initial valuation of charity care credits may  
42       take into consideration the values assigned in contractual arrangements established  
43       pursuant to subsection (b) of Code Section 31-8-322.

44       (d) The exchange shall be designed to adapt to market variations and other economic  
45       factors. The exchange may include the option for health care facilities to bank charity care  
46       credits for subsequent fiscal years.

47       (e) The department shall be authorized to enter into contracts with consultants or  
48       contractors to assist it in the design and operation of the exchange, as deemed necessary  
49       by the department.

50       31-8-322.

51       (a) On and after January 1, 2020, health care facilities shall be authorized to meet their  
52       indigent and charity care requirements through the purchase and sale of charity care credits  
53       pursuant to this article.

54       (b)(1) For the period from January 1, 2020, through December 31, 2021, a health care  
55       facility may enter into a contract directly with one or more other health care facilities to  
56       purchase or sell charity care credits as necessary to meet its indigent and charity care  
57       requirements.

58       (2) Health care facilities that enter into contracts pursuant to paragraph (1) of this  
59       subsection shall be required to submit a nonredacted copy of such contract to the

60       department to inform the design of the exchange and the valuation of charity care credits  
61       by the department.

62       (c) On and after January 1, 2022, health care facilities may purchase or sell charity care  
63       credits through the exchange to meet their indigent and charity care requirements.

64       31-8-323.

65       The department shall publish an annual report that includes the charity care credits  
66       purchased and sold through the exchange per health care facility and the valuation of  
67       charity care credits.

68       31-8-324.

69       (a) There shall be established the Georgia Charity Care Exchange Oversight Board to  
70       provide ongoing oversight and advisement to the department regarding the exchange.

71       (b) The oversight board shall comprise nine members, with three members appointed by  
72       the Governor, three members appointed by the Lieutenant Governor, and three members  
73       appointed by the Speaker of the House of Representatives. All members shall serve at the  
74       pleasure of their appointing official.

75       (c) The oversight board shall elect a chairperson from among its membership."

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## SECTION 2.

77       All laws and parts of laws in conflict with this Act are repealed.